

**TOWN COUNCIL ACTION ITEM
STAFF SUMMARY
FEBRUARY 15, 2022 COUNCIL MEETING**

DATE: February 10, 2022

AGENDA ITEM NUMBER: 3d

ACTION TO BE CONSIDERED: Consideration of Ordinance No. 01-22, Series of 2022,
First Reading to Set the Public Hearing

TIME FRAME

- Dillon Town Council and the other communities are concerned about the lack of workforce housing and the costs to rent long term.
- Dillon Planning and Zoning Commission has requested joint work sessions with Council with the first topic short term rentals.
- At the September 21 work session, Council directed staff to set aside one hour per work session to discuss short term rental issues, obtain public feedback and determine direction.
- At the October 5 work session Council gave staff direction to prepare ordinances for Council's consideration at a future meeting:
 - \$250 annual short term rental license fee to cover costs of compliance, hotline and staff time
 - Occupancy limits for each STR of 2 people per bedroom plus 2
 - Application questions to include rental of whole unit, partial unit, number of bedrooms/bathrooms in property, number of anticipated nights of rental and average nightly rental rate.
- At the October 19 work session Council gave staff direction to move forward with the following changes:
 - Institute interest and penalties on short term rental license fees of \$20 per and 1% per day for a thirty-day period. After the 30 days, the license is revoked for a period of one year.
 - Parking requirements of at least 1 parking space per unit. Staff will be working on an annual impact fee for parking spaces not provided in their parking lots. This will include one unit per bedroom for units with 2 or more bedrooms.
 - Council agreed to making the inspections available at any time with owner permission and including an affidavit that the owners must sign addressing life and health safety issues.
- At the November 2 work session Council requested additional information before deciding on an excise tax on lodging or STRs. Council requested additional information on taxes applied at Keystone Ski Area, Frisco and Silverthorne's final decision on excise taxes and a more specific list of items to be funded using the excise tax.
- At the November 16 work session Council reviewed the data on licenses across neighborhoods and condo complexes. There was discussion on possibilities of limitations, regulations and caps. No decisions were made and Council wanted to discuss further at the December 7 work session.
- At the December 7 work session Council discussed excise taxes and limits on short term rentals but did not provide staff with direction to move forward at this time.

SUMMARY: This is the first reading of the ordinance to amend the code regarding short term rental units. Staff has made the changes as discussed at the February 1, 2022 work session. Below are the major components of the code amendments:

- Section 6-11-20 Definitions – to improve clarity of the ordinance definitions been added.
- Section 6-11-40 Application
 - amended to include the application questions of number of bedrooms, partial unit rentals
 - Requires a parking plan to determine deficient parking to pay a short term rental parking fee. Staff is recommending that STRs provide permitted and/or designated spots at a rate of 1 space per bedroom plus one additional space. If the owner cannot provide this parking requirement then they will pay a \$300 per space per year STR parking fee.
 - Allows the finance director to reduce the rate of the parking fee requirement if the applicant agrees to reduce the occupancy. The reduction in occupancy must be two persons to reduce one required parking space.

- Section 6-11-50 Licensing and parking fees
 - Establishes the parking fee as outlined in Chapter 19 fees. Staff is recommending \$300 per space based on costs of maintenance, stripping, overlays, snow removal, administrative costs and enforcement.
 - Establishes interest at a rate of 1% per day and penalties of \$20 for late payments on STR license with revocation of license after 30 days.
- Section 6-11-55 Special limitations, prohibitions and requirements
 - Specifically states that accessory dwelling units cannot be used for short term rentals
 - Only one license will be issued per property as assigned by the Summit County Assessor
 - Maximum occupancy is 2 per bedroom plus 2 additional occupants.
 - Allows for inspection by the Town when requested
- Section 6-11-60 Denial, suspension or revocation of license
 - Added clarification that a license can be denied not just suspended or revoked
 - Established a clear appeal process which will include a hearing before the Planning and Zoning Commission
 - Allows the Finance Director to assess a fine in lieu of suspension. The calculation for the fine will be included in Chapter 19.
- Section 6-11-70 Posting requirements
 - Added requirements for posting a floor plan detailing locations of safety devices
- Section 6-11-80 Advertising
 - Added wording that occupancy and parking outlined in the ads must match the approved application.

BUDGET IMPACT: Budget impact is dependent on the number of fees assessed in 2022.

ACTION REQUESTED: MOTION, SECOND, ROLL-CALL VOTE

Resolutions require affirmative votes from majority of council members present

Ordinances require four (4) affirmative votes

Emergency ordinances require five (5) affirmative votes

MOTION FOR APPROVAL: move to approve Ordinance No. 01-22 on first reading and set the second reading and the public hearing on the Ordinance for our regular meeting on March 1, 2022.

DEPARTMENT HEAD RESPONSIBLE: Carri McDonnell, Finance Director

ORDINANCE NO. 01-22
Series of 2022

**AN ORDINANCE AMENDING PROVISIONS OF THE DILLON
MUNICIPAL CODE CONCERNING THE LICENSING AND
REGULATION OF SHORT-TERM RENTAL UNITS**

WHEREAS, in 2018, by Ordinance No. 09-18, the Town of Dillon (the “Town” or “Dillon”) adopted short-term rental licensing requirements and regulations in the exercise of its home rule authority, pursuant to Article XX, Section 6 of the Colorado Constitution and the Dillon Charter; and

WHEREAS, the Town’s short-term rental licensing requirements and regulations are codified in Chapter 6, Article XI of the Dillon Municipal Code (“Town Code”); and

WHEREAS, short term rental units are accommodations for rent or lease for a period of fewer than thirty (30) consecutive days, when the property on which the accommodation is located is assessed, for property tax purposes, as residential property; and

WHEREAS, short-term rental properties are intended to be occupied by numerous guests for short periods, and thus give rise to unique set of community impacts; and

WHEREAS, since the Town’s adoption of its short-term rental licensing requirements and regulations in 2018, the Town has seen a large influx of licensed short-term rental properties within the Dillon residential community, which has led to greater impacts associated with such properties, including impacts related to waste generation, noise, parking, wildlife, increased residential neighborhood density, fire and life safety, license administration, and law enforcement; and

WHEREAS, additionally, the Town, the County, and Colorado mountain communities in general are experiencing a severe shortage of housing for the local workforce at all income levels, and the Town Council finds that the diversion of the existing housing stock and newly constructed housing into the short-term rental pool necessarily contributes to the housing shortage; and

WHEREAS, at its September 21, 2021 work session, the Town Council found that proliferation of short-term rental properties and their impacts warranted a thorough review of the Town’s short-term rental regulations; and

WHEREAS, the Town Council, thus, set aside at least an hour in six work sessions, between early October and late December 2021, to engage stakeholders of the Dillon community in an open discussion regarding short-term rental impacts and potential regulatory mechanisms to address such impacts; and

WHEREAS, at such work sessions, the Town Council received a variety of input from year-round residents, second homeowners, property managers, representatives of owners’ associations, and other persons having an interest in the discussion; and

WHEREAS, as a result of input received from stakeholders, the Town Council desires to update the Town's short-term rental licensing requirements and regulations to strike a sensible balance among the differing interests of the Dillon residential community; and

WHEREAS, as informed by the community, the Town Council finds that there is lack of available on-site parking for multi-family residential buildings located adjacent to the Town Center, and that the shortage is exacerbated by the use of such on-site parking by short-term renters; and

WHEREAS, the Town Council thus desires to require owners of short-term rental units located in multi-family residential buildings to provide on-site permitted or designated parking for short-term-renter vehicles; and

WHEREAS, to the extent that on-site permitted or designated parking is unavailable, the Town is the owner of several public parking lots in the Town Center, which provide overnight parking for short-term renters staying in multi-family residential buildings located adjacent to the Town Center; and

WHEREAS, the Town incurs costs in maintaining, removing snow from, and overlaying, from time to time (estimated once every twelve years), parking spaces in the Town Center parking lots and enforcing overnight parking regulations; and

WHEREAS, the Town Council, therefore, desires to establish a short-term rental parking fee to offset such costs, to be paid by owners of short-term rental units not willing or able to provide required parking on site; and

WHEREAS, the Town Council further finds that limiting the maximum number of persons permitted to occupy short-term rental units will help to protect Dillon residents from the impacts of short-term rental units, including impacts related to noise, waste accumulation, parking availability, and fire and life safety; and

WHEREAS, the Town Council further finds that some owners of short-term rentals continue to short-term rent such units after license expiration; and

WHEREAS, proper licensing of short-term rental units is critical to the Town's overall approach to regulating short-term rental units and their impacts; and

WHEREAS, the Town Council thus desires to establish a penalty structure for failure to renew a short-term rental license by the established renewal deadline; and

WHEREAS, the Town Council further desires to update short-term rental license application requirements and license terms and conditions to ensure greater compliance with the Town's short-term rental regulations, and to better serve the Town Council's intent of striking a balance among the varying interests of the Dillon community.

NOW, THEREFORE, BE IT ORDAINED, BY THE TOWN COUNCIL OF THE TOWN OF DILLON, COLORADO, AS FOLLOWS:

Section 1. Chapter 6, Article XI of the Dillon Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken through~~):

**ARTICLE XI
SHORT-TERM RENTAL LICENSE**

Sec. 6-11-10.- Legislative intent.

Sec. 6-11-20.- Definitions.

Sec. 6-11-30.- License and tax payments required.

Sec. 6-11-40.- Application.

Sec. 6-11-50.- Licensing and parking fees.

Sec. 6-11-55.- Special limitations, prohibitions, and requirements.

Sec. 6-11-60.- Denial, suspension, or revocation of license.

Sec. 6-11-70.- Posting requirements.

Sec. 6-11-80.- Advertising.

Sec. 6-11-90.- Notice to owner.

Sec. 6-11-10. Legislative intent.

(a) The purpose of this Article is to establish comprehensive regulations to safeguard public health, safety and welfare by licensing short-term rental properties in the Town.

(b) This Article applies to accommodations for rent or lease for a period of fewer ~~less~~ than thirty (30) consecutive days, ~~as defined in Section 4-6-20 of this Code,~~ but only when the accommodation is assessed in the residential property classification for property tax purposes based on the classification system in effect when this ordinance was enacted.

(c) This Article is not intended to supersede any private conditions, covenants or restrictions applicable to a short-term rental unit.

Sec. 6-11-20. Definitions.

The following words and phrases, as used in this Article, shall have the following meanings:

Accommodation means a separate and distinct living unit or area, including a condominium or other multi-family residential unit, townhouse, single-family dwelling unit, duplex, or any other such similar building, room, group of rooms or any portion or room thereof or therein, designed for or used as a dwelling; provided, however, that an accommodation unit shall not include any unit or area within a hotel/motel, hotel/motel suite, bed and breakfast, dormitory, group home, or time-shared interval unit, as such uses are defined in Chapter 16 of this Code, so long as such defined use is conducted within an area within which it is permitted by applicable zoning regulations.

Advertisement means any information made available to potential short-term renters for the purpose of renting a short-term rental unit, including but not limited to information posted on VRBO/HomeAway, Vacasa, Tripping.com, HomeToGo, OneFineStay, HouseTrip, Casamundo, Luxury Retreats, Wimdu, Roomorama, Couchsurfing, Orbitz, FlipKey, Airbnb, or any similar platform or website.

Finance Department means the department overseen by the Town of Dillon Finance Director.

Finance Director means the Finance Director of the Town of Dillon or the Finance Director's designee.

Owner means the record owner of property who engages in the business of furnishing for lease or for rent a *short-term rental unit* and who must be licensed both as a business under Article III of Chapter 4 of the Code and under this Article.

Planning Commission means the Planning and Zoning Commission of the Town of Dillon.

Responsible agent is the owner, the owner's agent, or the owner's designee who is available to respond to any issues arising from a *short-term rental unit* within sixty (60) minutes and who is authorized to receive written notice on behalf of the owner.

Short-term rental unit means an accommodation, as defined in Section 4-6-20 of this Code, rented or leased for fewer less than thirty (30) consecutive days when the property on which the accommodation is located is assessed, for property tax purposes, as residential property.

Sec. 6-11-30. License and tax payments required.

(a) A valid short-term rental license is required for each short-term rental unit. It is unlawful for any owner of a residential unit(s) to engage in the business of renting or leasing a short-term rental unit within the limits of the Town without first obtaining a license under this Article for each unit.

(b) A valid short-term rental license requires the owner to pay or collect and remit all applicable local, state and federal taxes, including business and occupation tax, sales and lodging taxes, property tax, and state and federal income tax.

Sec. 6-11-40. Application.

(a) At least thirty (30) days prior to any advertising a short-term rental, the owner must file a written application for a short-term rental license with the Finance Department ~~Town Clerk~~ on forms supplied by the Town. The application shall include: property owner information, short-term rental unit address, proof of ownership, designation of a responsible agent, a signed affidavit certifying the habitability of the short-term rental unit and compliance with applicable building and safety codes, the number of bedrooms to be rented if proposing a partial rental,

a parking plan, a trash and recycling plan, trash and recycling hauler information, and any other information as may be required by the Town. The application is not complete and will not be considered properly submitted until the owner provides all information required by the Town and pays the short-term rental licensing fee.

(b) Except as provided in subsection (c), the parking plan shall be accompanied by proof of designated or permitted parking provided on the property at the rate of one (1) space per bedroom of the short-term rental unit, plus one (1) additional space. Studios shall be required to provide only one (1) designated parking space. For multi-family residential buildings, "designated or permitted parking" means spaces actually assigned to or reserved for, whether by permit or other instrument, the unit proposed for short-term rental, by the applicable owners' association, and not parking spaces available for the general use of multi-family residential building occupants and their guests, visitors, or renters.

(c) The Finance Director may reduce the rate of required designated or permitted parking spaces if the applicant agrees to a reduction in the maximum number of persons permitted to occupy the unit. Upon such agreement, the Finance Director shall reduce the required amount of designated or permitted parking spaces by one (1) space for every two (2) persons removed from the short-term rental unit's maximum occupancy limit. The reduced maximum occupancy limit shall be stated on the short-term rental license.

(d) Applicants not willing or able to provide designated or permitted parking at the rates required by this section shall pay the short term parking fee set forth in Section 6-11-50.

(e) ~~(b)~~ The Town may require, as a condition precedent to the issuance of a short-term rental license or license renewal, an inspection of the short-term rental unit by the Finance Director ~~Town Clerk or his or her designee~~ for the purpose of determining whether or not any extraordinary fire hazard exists therein, thereon or in connection therewith and whether or not the same are clean and sanitary. If, upon such inspection, it ~~is~~ shall be found and determined that ~~the such~~ premises are unsanitary or unsafe or if any extraordinary fire hazard shall be found to exist, the Town may require such changes or alterations to be made in, about, upon or in connection with the premises as shall be reasonably necessary to correct the objectionable conditions so found to exist, as a condition precedent to the issuance or renewal of the license for which application shall have been made.

(f) ~~(e)~~ Within thirty (30) days of receipt of a complete application for a short-term rental license, if the Finance Director ~~Town Clerk~~ determines that the license or renewal application complies with the requirements of this Article, the Finance Department ~~Town Clerk~~ shall issue a short-term rental license.

(g) ~~(d)~~ The short-term rental license is issued in the name of the owner and is not transferable. Each change in ownership of a short-term rental unit requires a new license.

~~(h)~~ (e) A short-term rental license expires annually on May 31. An application for renewal of a short-term rental license, including all required fees, shall be submitted at least thirty (30) days prior to expiration of the existing license.

Sec. 6-11-50. Licensing and parking fees. Fees.

(a) The short-term rental licensing fee shall be as set forth in in the Schedule of Fees found in Chapter 19 of this Code. No license or renewal may be issued until the applicable fee has been received by the Finance Department, Town Clerk.

~~(b) Licensing fees are not refundable. In the event that any license is suspended or revoked, no refund shall be made to the owner. Further, no refund shall be made to any owner who discontinues engaging in the short term rental business during the licensing year. However, if a licensing or renewal application is denied, the Town shall return the license fee submitted with the application to the owner.~~

{Drafter's Note: moved below; made applicable to licensing and parking fees}

~~(b)~~ (e) The purpose of the short-term rental licensing fee fees collected under this Section Article is to offset off-set the administrative and personnel costs associated with short-term rental license administration and enforcement. The rate of the short-term rental license fee shall be set and may from time to time be amended to reflect the cost of regulation, administration, and enforcement of this Article.

(c) In addition to the short-term rental licensing fee, each applicant for a short-term rental license for a unit that lacks designated or permitted parking at the rate specified in Section 6-11-40 shall pay the Town an annual fee for use of Town-owned parking, at the rate set forth in Chapter 19, for each parking space the unit is deficient. No license or renewal may be issued until the applicable parking fee has been received by the Finance Director.

(d) The rate of short-term rental parking fee shall be set, and may from time to time be amended, to reflect the impact of short-term rental units on costs incurred by the Town in maintaining, striping, removing snow from, enforcing, and from time-to-time resurfacing, the Town-owned parking lots in the Town Center.

(e) All required fees, if not paid as provided in this Article, shall become delinquent on June 1. Interest shall accrue on all delinquent fees from the date of delinquency until paid or collected at the rate of one percent (1%) per day. In addition, all applicants failing to renew a short-term rental license and pay required fees by May 31, shall pay a late payment penalty of \$20.00 per month. The Town may deny any application for short-term rental license renewal received after June 30.

(f) All fees paid under this section are not refundable. In the event that any license is suspended or revoked, no refund of license or parking fees shall be made to the owner. Further, no refund shall be made to any owner who discontinues engaging in the short-term rental business during the licensing year. However, if a

licensing or renewal application is denied, the Town shall return the fees submitted with the application to the owner.

Sec. 6-11-55. Special limitations, prohibitions, and requirements.

(a) No short-term rental license will be issued by the Town for the operation of a short-term rental unit within an accessory dwelling unit, as such term is defined in Chapter 16 of this Code. Any short-term rental license issued by the Town in violation of this subsection shall be null and void.

(b) It shall be a violation of this Article for any person to operate or rent a short-term rental unit within an accessory dwelling unit.

(c) Only one short-term rental license will be issued per property schedule number assigned by the Summit County Assessor's Office.

(d) Unless a lesser occupancy is stated in the short-term rental license, the maximum occupancy for a short-term rental unit shall be no more than two (2) persons per bedroom, plus two (2) additional persons. The Town will refer to data from the Summit County Assessor's Office as the sole factor in determining the number of bedrooms in the short-term rental unit.

(e) No motor vehicles shall be parked on the lawn or landscaped area of a short-term rental property. It shall be a violation of this Article for an owner of a short-term rental unit to allow or acquiesce to the parking of vehicles by renters on private property other than in locations set forth in the Town-approved parking plan.

(f) Because short-term rental units are, by their nature, intended to be occupied by numerous guests for short periods of occupancy, it is determined that the Town's ability to inspect such units is in the interest of public safety. Therefore, whenever it is necessary or desirable to make an inspection to enforce any of the requirements of this Article, an authorized public inspector may enter such short-term rental unit at all reasonable times to inspect the same for the purpose of enforcing any such requirements. The method of completing an inspection is at the discretion of the Town Manager.

Sec. 6-11-60. Denial, suspension, Suspension or revocation of license.

(a) A short-term rental license may be denied, suspended, or revoked by administrative order of the Finance Director; ~~Town Clerk or his or her designee~~:

(1) When it appears that the license was obtained by fraud, misrepresentation, or false statements within the application.

(2) Upon failure to comply with the terms and conditions of the short-term rental license, including but not limited to:

a. Failure to designate a responsible agent available to respond to short-term rental unit complaints within one (1) hour;

b. Failure to operate the short-term rental unit ~~business~~ in compliance with health, safety, noise, and nuisance provisions of ordinances in this Code;

c. Failure to provide parking and trash and recycling removal in compliance with this Article and Town-approved parking and trash and recycling plans; ~~ordinances in this Code~~;

d. Failure to list the short-term rental license number in advertisements for the unit; and

e. Failure to post the information in the short-term rental unit as required by Section 6-11-70 of this Article.

(3) When the owner fails to pay or collect and remit taxes, as required by Section 6-11-30 ~~6-11-30(b)~~ of this Article.

(4) When the owner fails to pay utility fees or charges.

(5) When any activity conducted by the owner, the owner's his ~~or her~~ responsible agent, or short-term rental guests violates this Article or any federal, state, or local rule, regulation or law.

~~(b) In pursuant of enforcement of this Article, the Town Clerk or designee is empowered to cause any short-term rental unit to be inspected and examined.~~

{Drafter's Note: moved above to Sec. 6-11-55}

~~(b)~~ (e) In lieu of suspension or revocation, the Finance Director ~~Town Clerk or his or her designee~~ may request and the owner may agree to pay an administrative fine, which shall be calculated by the Finance Director in accordance with the formula set forth in Chapter 19.

~~(c)~~ (d) In lieu of suspension or revocation, or as a condition of restoration of licensure, the Finance Director ~~Town Clerk or his or her designee~~ may impose new or additional terms, requirements, conditions, or limitations on a short-term rental license.

(e) The owner may appeal an administrative order denying, suspending, or revoking a short-term rental license within ten (10) business days after the date

the notice was provided by the Town to the owner or the responsible agent. The appeal shall be made in writing to the Finance Director Town and shall describe the basis of the appeal. Failure to comply with the above requirements shall result in a forfeiture of the owner's right to appeal the administrative order. If the owner requests an opportunity to be heard, the Finance Director Town Manager or his or her designee shall schedule either an in-person or telephonic hearing and provide notice of the hearing to the owner. The hearing shall be held before the Planning Commission, which is hereby designated as the responsible body authorized to hear appeals under this Article. After considering an appeal, including conducting a requested hearing, the Planning Commission Town Manager or designee will make the final determination within a reasonable time to approve, deny, suspend, accept a fine in lieu of suspension, or revoke a short-term rental license, and such determination shall be considered a final order subject to review under Rule 106(a)(4) of the state rules of civil procedure.

Sec. 6-11-70. Posting requirements.

The owner must post or cause to be posted the following information in a prominent and visible location in the short-term rental unit:

- (1) The short-term rental license number;
- (2) Contact information for owner and/or responsible agent, including a phone number for 24-hour response to emergencies;
- (3) A floor plan detailing the Description of location of fire extinguishers, smoke and carbon monoxide detectors, and emergency egress; and
- (4) General guidelines on Town regulations, as well as any unit specific guidelines, regarding noise, occupancy limits, parking, trash and recycling disposal and pickup, wildlife guidelines, and fire restrictions; and
- (5) Any other information deemed necessary by the Finance Director Town Clerk or his or her designee to ensure the public's health and safety.

Sec. 6-11-80. Advertising.

All advertising for a short-term rental unit in Town shall include the short-term rental license number as, "Dillon License STR- [insert number]. All information contained in advertisements for short-term rental units, including but not limited to information related to parking and occupancy limitations, must match the information contained in application, the owner's affidavit, and the short-term rental license issued by the Town to the owner of such unit. All advertisements for short-term rental units for which designated or permitted parking is not provided on site shall contain an express statement that no short-term rental parking is provided on the property. A violation of this Section shall constitute grounds for suspension or revocation of a short-term rental license in accordance with this Article.

Sec. 6-11-90. Notice to owner.

Any notice given by the Town to an owner in pursuit of this Article is deemed sufficient if sent by either:

- (1) First-class mail to the address provided by the owner or the responsible agent designated on the owner's most recent license or renewal application; or
- (2) Electronic mail, if the owner provides an electronic mail address and indicates electronic mail as the preferred method of notification on the owner's most recent license or renewal application.

Section 2. The table in Appendix 19-A of Chapter 19 of the Dillon Municipal Code ("Town Code") is hereby amended to add a short-term rental parking fee to reflect the cost to offset the Town's costs in maintaining, striping, removing snow from, enforcing, and from time-to-time resurfacing, the Town-owned rotating parking lots in the Town Center. The fee shall be referred to in the table under Chapter 6, Licensing Fees, as "Short-Term Rental Parking Fee" and shall be set as \$300 (per space). The Code reference to be added in the far right column shall be 6-11-50.

Section 3. The table in Appendix 19-A of Chapter 19 of Town Code is hereby amended to add a fine in lieu of short-term rental license suspension. The fine shall be referred to in the table under Chapter 6, Licensing Fees, as "Fine in Lieu of Short-Term Rental License Suspension" and shall be determined by use of the following formula:

The fine paid by the licensee shall be equivalent to twenty percent (20%) of the licensee's estimated gross revenues from short-term rental of the unit during the entire period of the proposed suspension; provided that, the fine shall not be less than \$200.00 nor shall it be more than \$5,000.00. The Finance Director may use any reasonable method to determine the licensee's estimated gross revenues for the period of the proposed suspension.

The Code reference to be added in the far right column shall be 6-11-60.

Section 4. Severability. If any provision of this ordinance or portion thereof is held by a court of competent jurisdiction to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect any other provision which can be given effect without the invalid portion.

Section 5. Effective Date. This ordinance shall take effect five (5) days from publication following final passage.

INTRODUCED, READ AND ORDERED PUBLISHED BY TITLE ONLY THIS 15th DAY OF FEBRUARY, 2022.

PASSED, ADOPTED AND APPROVED AND ORDERED PUBLISHED BY TITLE ONLY THIS _____ DAY OF _____, 2022.

TOWN OF DILLON,
a Colorado municipal corporation

By: _____
Carolyn Skowyra, Mayor

ATTEST:

Jo-Anne Tyson, MMC, Deputy Town Clerk

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2022 Short-Term Rental Licensing Guide

If you are the owner of a property located in the Town limits of Dillon and you are renting your property or a portion of your property for periods of less than 30 consecutive days, you are operating a short-term rental and need to apply for a Short-Term Rental License.

As an owner of a short-term rental property, you are required to obtain a Short-Term Rental License and remit taxes on the total sales received from your rental.

- Read the Short-Term Rental Regulations set forth in Chapter 6 -11 of the Dillon Municipal Code.
- Obtain a Short-Term Rental License from the Town of Dillon
 - Complete the Application for a Short-Term Rental License Form
 - Complete the Short-Term Rental Self-Compliance Affidavit
 - Complete the Short-Term Rental Responsible Agent & Owner Authorization Form
 - Read and Sign the Good Neighbor Guidelines
 - Provide floor plan which includes safety features
 - Provide advertising information for all sites utilized (Airbnb, VRBO, HomeAway, etc.)
 - Submit application documents and application fee to the Town of Dillon at:

Dillon Town Hall
ATTN: STR Licensing
P.O. Box 8
275 Lake Dillon Drive
Dillon, CO 80435

- Collect and Remit the Proper Taxes to the Correct Authority. The total tax rate in Dillon for lodging sales is 10.875%
 - Town of Dillon – 2% Lodging tax-remit directly to the Town of Dillon
 - State of Colorado – 2.9%
 - Summit County – 2.0%
 - Summit County Transit tax – 0.75%
 - Town of Dillon - 2.50% Sales tax
 - Summit Combined Housing Authority– 0.725%

Remit to the
State of Colorado

- File lodging taxes for the Town of Dillon and remit payment to the Town of Dillon
- Properties that are exclusively listed and rented through AirBnb and/or Vrbo, are not required to file or remit lodging taxes to the Town of Dillon.
- Obtain a business license from the Town of Dillon in order to comply with tax requirements.
- Verify that all of the life-safety requirements required are in place at your property.
- Review your Homeowner's Insurance Policy to ensure you have the coverage appropriate for the use of the property as a short-term rental.
- Ensure that your Homeowners' Association (if applicable) permits Short Term Rentals.
- Meet legal requirements with respect to parking, occupancy limits and advertising.
- Post your Short-Term Rental License Number on all advertising (print, online, etc.)

Questions? Contact: str@townofdillon.com



Short-Term Rental License Application

STR Property Address: _____

Is this property a deed-restricted workforce housing unit? ☐ Yes ☐ No

Name of neighborhood or condominium complex: _____

Is the property subject to a homeowners' association or private covenant? ☐ Yes ☐ No

If Yes, please select a statement below that applies to the property:

- ☐ The property is subject to a homeowners' association (HOA) or private covenant and the operation of a short-term rental does not require approval by the HOA or covenant beneficiary.
- ☐ The property is subject to a homeowners' association (HOA) or private covenant and the operation of a short-term rental has been approved by the HOA or covenant beneficiary.

Type of Ownership: ☐ Sole Proprietor ☐ Partnership ☐ Corporation ☐ LLC ☐ Other

Owner's Name(s) or Name of Ownership: _____

Mailing Address: _____

City: _____ State _____ Zip: _____

Preferred Telephone: _____ Email: _____

If Corporation or LLC – Registered Agent (*on record with the Colorado Secretary of State*):

FEIN# _____

Name of Person or Entity Preparing Town of Dillon Lodging Tax Return:

Telephone Number: _____ Email: _____

Colorado Sales Tax license number: _____

Provide listing numbers for the property for the hosting platform(s) and/or websites on which it is advertised:

- ☐ Air B&B _____ ☐ VRBO _____ ☐ HomeAway _____ ☐ TripAdvisor _____
- ☐ FlipKey _____ ☐ Vacasa _____ ☐ Evolve _____ ☐ Other _____

Listing information can be sent to str@townofdillon.com

Select the number of bedrooms being made available to rent:

There is a maximum occupancy of 2 individuals per bedroom plus 2 additional occupants.

For example for a 2 bedroom unit the maximum occupancy is 6.

- ☐ Studio ☐ One Bedroom ☐ Two Bedrooms ☐ Three Bedrooms ☐ Four Bedrooms ☐ Five Bedrooms

Select the number of dedicated parking spaces at the rental property.

There is a requirement of 1 assigned parking space per bedroom plus 1 additional parking space.

For example a 2 bedroom unit would be required to provide 3 assigned parking spaces.

- ☐ 0 Spaces ☐ 1 Space ☐ 2 Spaces ☐ 3 Spaces ☐ 4 Spaces ☐ 5 Spaces ☐ 6 Spaces

Self-Compliance Affidavit

Please Note: All statements listed below must be initialed.
Failure to initial any questions will delay your License

Occupancy: *Occupancy limits of 2 per bedroom, plus 2 people.*

Number of Bedrooms: _____ Total Overnight Occupancy Advertised: _____

Note: The number of bedrooms should correspond to the information available on the County Assessor's Office website.

_____ Occupancy limits will be adhered to and appropriately listed in rental advertisements.

Health & Life Safety Standards:

_____ Buildings, structures, or rooms shall not be used for purposes other than those for which they were designed or intended.

_____ Roofs, floors, walls, foundations, ceilings, stairs, handrails, guardrails, doors, porches, all other structural components, and all appurtenances thereto shall be capable of resisting any and all forces and loads to which they may be normally subjected, and shall be kept in sound condition and in good repair

_____ The street address, License number, Responsible Agent and property owner contact information is posted conspicuously in the interior of the property.

_____ Smoke detectors, carbon monoxide detectors, and fire extinguishers have been installed and are operable, and all wood-burning fireplaces and stoves shall be cleaned on an annual basis. Proof of inspection and cleaning for the current year is required to be available upon request.

_____ Occupancy of a Short Term Rental Property shall not be more than two persons per bedroom plus a maximum of two additional occupants.

_____ An operable toilet, sink, and either a bathtub or shower is located within the same building, and every room containing a toilet or bathtub/shower shall be completely enclosed by walls, doors, or windows that will afford sufficient privacy.

_____ Electrical panels are clearly labeled.

_____ A floor plan with the location of fire extinguishers, smoke detectors and carbon monoxide detectors along with an emergency egress plan will be submitted to the Town for approval prior to a Short Term Rental license being issued.

_____ Outdoor Fires – Outdoor fireplaces have been permitted and inspected by Summit Fire & EMS. The use of portable outdoor fireplaces is prohibited.

_____ There are a sufficient number of trash receptacles to accommodate all trash generated by those occupying the Short Term Rental Property, and instructions on outdoor trash containers, storage, pickup locations, and collection times are posted within the unit.

_____ Containers for recycling are provided with instructions related to recycling (single stream, glass). For every trashcan there should be a recycling bin of equal or larger size. Label bins with same messaging throughout your property.

Taxes:

_____ Lodging taxes will be filed and taxes remitted to the Town of Dillon.

_____ Taxes are ultimately the responsibility of a property owner, even if the property is managed by a separate individual or company.

Requirement of Short-Term Rentals in a Duplex:

- _____ A copy of the written notice provided to the Owner of the adjoining residential unit sent to the last known address.

Steps to Mitigate Community Impacts:

- _____ Renters will be informed that on-street parking is not allowed between 2:00 AM - 6:00 AM.
- _____ Adequate parking spaces will be provided for renter's use in accordance with the Short Term Rental Licensing Ordinance. Town lots and/or on-street should not be relied on for guest parking.
- _____ Renters will be informed of the noise ordinance. No excessive or unreasonable noise will be permitted at any time.
- _____ For every trash can there should be a recycling bin of equal or larger size.
- _____ Exterior lighting requirements will be complied with to prevent off-site glare.
- _____ If pets are allowed, renters will be informed of leash laws, pet waste disposal, and barking/ noise considerations.
- _____ The operation of the short-term rental will comply with the "Good Neighbor Guidelines" and a copy of the guidelines will be provided to renters in the rental agreement and by posting it in a prominent location within the property.

Advertising and Signage:

- _____ All advertising for this short-term rental will include the Short-Term Rental License number, immediately following the description of the property, along with the maximum permitted occupancy: two people per bedroom, plus two.
- _____ The number of bedrooms is in accordance with the Summit County Assessor's Office.
- _____ A sign will be posted in a prominent location inside the short-term rental property, which includes the Responsible Agent's current contact information, the Owner's current contact information, the street address of the short-term rental property and the Short-Term Rental License number.
- _____ A posting with the location of fire extinguishers, smoke detectors and carbon monoxide detectors along with an emergency egress plan is located prominently within the Short Term Rental Unit.
- _____ The Good Neighbor Guidelines, parking plan, trash and recycling instructions and any fire restriction information are posted in a prominent location within the short-term rental property.
- _____ Provide printouts or links of your current listings that show that you are advertising no more than the allowed occupancy (calculation is: number of bedrooms per County Assessor's Office, multiplied by two, plus two).

By completing and signing this affidavit I (we) affirm that, under pains and penalties of perjury, that I (we) have inspected this property and that it complies with all applicable laws, and codes, and will maintain adherence to these requirements throughout the duration of use of the property as a Short-Term Rental.

Owner Signature

Printed Name

Date

Owner Signature

Printed Name

Date



**Short-Term Rental (STR)
Responsible Agent
Responsibility and Owner
Authorization**

Check One:

- ☐ New STR
- ☐ Existing STR – Change of Property Contact–STR License Number: _____

STR Street Address: _____

Owner's Name: _____

Designated Responsible Agent:

Name: _____

1. Primary Phone Number (must be text enabled): _____

2. Secondary Phone Number: _____

Email Address: _____

Alternate Responsible Agent (optional):

Name: _____

1. Primary Phone Number (must be text enabled): _____

2. Secondary Phone Number: _____

Email Address: _____

Owner Declaration:

Each owner of a short-term rental property shall designate a Responsible Agent. The Responsible agent shall have access and authority to assume management of the unit and take remedial measures. The Responsible Agent shall be available 24 hours a day, 7 days a week to respond to matter(s) at the property and issues notified of via the Town of Dillon short term rental complaint line. The responsible agent must have a text-enabled phone. An owner of a short term rental may designate himself/herself as the agent.

I am the owner(s) of the subject property and hereby authorize the designated person listed above to assume responsibility as the Responsible Agent.

Owner Signature

Printed Name

Date

Responsible Agent Responsibility:

As the Responsible Agent, and due to the language “assume management of the unit and take remedial measures,” **you** are responsible for contacting the renters when you have been notified of a complaint. You may be contacted by the Dillon Police Department to secure the property as needed. Therefore, your phone number will be available to Police Department staff and will be listed under the Short Term Rental License and posted for renters within the interior of the unit.

Responsible Agent Signature

Printed Name

Date

Any change of the Responsible Agent or modification of contact information must be furnished to the Town within five (5) days of effective date of the change.



Good Neighbor Guidelines

The Good Neighbor Guidelines were created to educate Short-Term Rental (STR) owners and tenants/guests on the importance of being a good neighbor.

- **24-Hour Responsible Agent Contact Information** - If at any time you have concerns about your stay or in regards to your neighbors, please call the 24-hour contact number listed in the rental lease agreement or posted in the property. In the event of an emergency, please call 911.
- **Fire Restrictions** – Colorado has been in a period of extended drought, and fire restrictions may be enacted by the Town depending on conditions. Even if fire restrictions are not in place, be fire-wise only use approved outdoor devices and do not leave outdoor fires unattended.
- **General Respect for Neighbors** - Be friendly, courteous, and treat your neighbors like you want to be treated. Respect your neighbors and their property.
- **Noise and Outdoor Lighting** - Be considerate of the neighborhood and your neighbors' right to the quiet and peaceful enjoyment of their home and property, especially after 11 p.m.
- **Maintenance of Property** - Be sure to pick up after yourself and keep the property clean, presentable, and free of trash.
- **Waste Disposal** - Place all trash and recycling in the designated containers stored indoors. Trash and recycling are collected on _____. The Responsible Agent will handle trash disposal on the designated pickup day by placing the containers at the appropriate place no earlier than 6:00 am for pickup and returning trash and recycling containers to the designated storage location by 7:00 pm on the day of pickup. Extinguish and dispose of cigarette butts properly.
- **Recycling** - Place all trash and recycling in the designated containers stored indoors. Trash and recycling are collected on _____. Glass must be separated from Single-Stream Recycling.
 - ☐ Separate recycling container(s) for glass is provided.
 - ☐ Glass recycling is not provided and glass should be taken to a recycling center or discarded in trash receptacle.
- **Parking & Traffic Safety** – Park in the designated parking spaces provided. Do not park on roadways, lawns, or in a manner which blocks driveways, sidewalks, alleys or mailboxes. Drive slowly through neighborhoods and watch for pedestrians and children playing.
- **Pets** - Promptly clean-up after your pets. Prevent excessive and prolonged barking and keep pets from roaming the neighborhood. Control aggressive pets and be sure to abide by the local leash laws. Store pet food indoors and in a secure container to reduce the likelihood of unwanted pest problems.
- **Respect Wildlife** – Do not feed or approach wildlife.
- **Tenant/Guest Responsibility** - Approved guests and visitors are expected to follow the Good Neighbor Guidelines. Be sure to read your rental agreement for additional terms and restrictions which may include consequences for violating the Good Neighbor Guidelines.

Owner Signature

Printed Name

Date

Owner Signature

Printed Name

Date